Exploring Undergraduate Hospitality Student's Salary Expectations: A Study in context of Initial Hospitality Job offers

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Abstract - Hospitality education plays an important role in developing personality of a potential employee for the industry. At the undergraduate level potential students for hospitality education have various course option to study .There are different nomenclatures for three year degree courses of hospitality education prevails in India. Present paper aims to compare starting salary expectations of hospitality students of their initial job offers, perception about hotel industry jobs in terms of pay and hard work and their plans to pursue a career inside the hotel industry after completion of their course structure.The research instruments used in the study was questionnaires. The survey questionnaire was developed based on a review of literature and interviews with experts in the field of education. Four groups were surveyed for the present study: hotel management students who have just completed their industrial training and are in fourth semester of their course curriculum *(I.T Students),* Final year hotel management students who are in the sixth semester *(Final H.M)*, Final year ATHM students *(Final ATHM Airlines, Tourism & Hospitality Management)* and potential students who are seeking admission in the hotel management course and attended course counselling *(New Prospects).*Out of total responses *(187),* 22.5 % *(42)* of them were *I.T Students* , 28 % *(53) were Final H.M* , 18% *(34)* were *Final ATHM* and remaining 31% *(58)* of them were *New Prospects* . Initial Job offer: There is a significant difference exist among hospitality students in terms of initial job offer salary expectations. Majority of the respondents marked expected salary range of initial job offer between 21000-25000followed by 16000-20000. Salary expectations of female students were found to higher than male students.. Perception about Pay: Majority of the respondents agreed that considering the long hours and work load, pay is low in the hotel industry. It was found that there is no significant difference exist among respondents on the statement considering the long hours and work load, the pay is low in the hotel industry. However there is a significant difference exists among male and female students that is majority of female students disagree that there is low pay exist in the hotel industry. Pay sufficient to lead to a satisfactory life: Majority of the respondents agree that pay for most hotel jobs are not sufficient to lead a satisfactory life. It was found that there is a significant difference exist among respondents (stream wise) in terms of pay for most hotel jobs is not sufficient to lead a satisfactory life. Students of ATHM have slightly disagreement to the statement. Similarly gender wise also there is significant differences exist among respondents. Female students have disagreement to the statement and perceived that pay in hotel jobs is sufficient to lead a satisfactory life. Plan to pursue a career inside the Industry: Even though of low pay, majority of the respondents are agreed and have plans to pursue a career in hospitality industry after completion of their course structure. In terms of stream wise final year ATHM students are having plans to pursue a career in the hospitality industry similarly female students have high percentage than their male counterparts. Initial job offers should be at par with other sectors such as retails, as many of passed out prefers to start their career outside the hospitality industry due to better lucrative pay offers.

Keywords: Initial Job offer, Perception, Pay, Sufficient & Pay Structure.

I.   INTRODUCTION

Hospitality education plays an important role in developing personality of a potential employee for the industry. At the undergraduate level potential students for hospitality education have various course option to study .There are different nomenclatures for three year degree courses of hospitality education prevails in India. Due to globalisation and changing guest preferences sets high levels of guest expectations indeed also sets challenges to the hospitality education system. Retention of young educated workforce is an emerging issue in the industry. Several researches pointed out that students leave hospitality industry before completion of their probation period. It is crucial for industry to devise certain practices for retaining young graduates in the industry. Present study aims to compare student's viewpoints about hospitality job and their salary expectations from their initial job offers in the hospitality industry.

II.   REVIEW OF LITERATURE

Several researchers highlighted the outcome expectations such as both intrinsic and extrinsic affect career choices and goals among prospective employees (Betz & Voyten, 1997; Chuang et al., 2009; Lent, Brown, & Hackett, 1994).Career choices and goals are based on outcome expectations. Students are more likely to pursue a job in the industry and demonstrate stronger career intentions and commitment if they perceive that the industry offers outcomes as what they desire(Chuang et al., 2009).Jenkins (2001) emphasised that as students progressed thorough their degrees, perception about the industry deteriorated and similarly desire to work therein suffered considerably. This is very clear that more exposure a student get about the industry during academic learning, him or her become less committed. Kim & Park (2013) observed that hospitality internship work exposure acts as a strong influence on student perception towards hospitality careers and could lead to a change in student perception. Sturman (2001) attempted to compare pay levels of jobs as per KSA (Knowledge, Skills and Abilities). Research study Pointed out that hospitality industry .Research result revealed that jobs in the hospitality industry pay less than do comparable jobs in other industries. Researcher suggested that if hospitality recruiters want to attract the top students from high quality institutions, in that case job offers must be competitive with those of non hospitality business.

Chen and Choi (2008)conducted a research to explore the structure of hospitality management work values and the perceived differences among three generations (Baby Boomers, Generation X, and Millennial) of managers and supervisors in the hospitality industry. Data was collected by surveying of 398 managers and supervisors from hospitality organizations in the USA. Research study highlighted that because of the differences in values developed by each generation as a result of the significant life events they have experienced, each generation tend to develop similar work and life values that shape their attitudes, behaviours and beliefs.**Wan .P.K et al (2014)** attempted to investigate the factors shaping students' perceptions toward the hospitality and tourism industries and their career intention (i.e., industry commitment) by comprehensively examining the roles played by students' perceptions of the nature of work in the industries, perceived social status, and salary expectations. Data for the main study was collected by means of a self administered survey at two major universities in Macau, China. Researcher selected an approximately equal number of freshman (year 1),sophomore (year 2), junior (year 3), and senior (year 4) students from each program. A total of 236 students participated in the survey and 205 of them completed the survey, which corresponds to a response rate of 86.8% .Results of the study reveals that Perceived nature of the work is found significantly related to positive perceived social status, but not related to negative perceived social status and nature of the work (i.e., an interesting job) in the industries has no significant relationship with the perceived career prospects when perceived social status was controlled. A significant relationship between the perceptions of career prospects and industry commitment was found. The relationship between perceived social status and career prospects is moderated by salary expectation. The results suggest that salary might function well to project students a positive image of the career prospects, which encourages them to be committed to the tourism and hospitality industry. However, students who look for a high salary have to find jobs in other industries. This finding therefore suggests that rather than offering higher salary to attract talent to stay and commit to the tourism and hospitality industries, operators might need to use other motivators and strategies to entice employees, such as by creating a fun working environment, improving working conditions, providing a more flexible working schedule and supervisors' encouragement and understanding.

Conrad Lashley (2013) explored the employment of students in hospitality and tourism organisations in Nottingham. Data was collected with a substantial number of face-to-face questionnaire-based interviews with students at key locations in the local universities and colleges, as well telephone interviews with a stratified sample of local employers. Interviews with students secured 1549 responses in four main locations. Over 60% were in the first or second year of study, and 34 respondents were in a work placement period. Researcher highlighted that the retail sector is a major competitor to these hospitality employment opportunities, and there is some evidence that pay rates can be better in retailing. Employers need to be aware of the real rates being paid in the local labour market and ensure that they at least match rates available to students working in retail and shop jobs.

Research Objectives

1. To compare starting salary expectations of respondents of their initial job offers in terms of stream and gender wise.
2. To examine final year students perception about hotel industry jobs in terms of pay and hard work.
3. To study students plans to pursue a career inside the hotel industry after completion of their course structure.

Hypotheses

1. There is no significant difference exist among respondents on their salary expectations of initial job offers in terms of gender and stream wise.
2. There is no difference exist among respondents perception about hotel industry jobs in terms of pay and hard work.
3. Hospitality students are not willing to pursue a career in the hotel industry after completion of their course.

III.   RESEARCH METHODOLOGY

The research instruments used in the study was questionnaires. The survey questionnaire was developed based on a review of literature and interviews with experts in the field of education. Four groups were surveyed for the present study: hotel management students who have just completed their industrial training and are in fourth semester of their course curriculum (*I.T Students*), Final year hotel management students who are in the sixth semester (*Final H.M*), Final year ATHM students (*Final ATHM Airlines, Tourism & Hospitality Management*) and potential students who are seeking admission in the hotel management course and attended course counselling (*New Prospects*).Out of total responses *(187),* **22.5 %** *(42)* of them were *I.T Students* , **28 %** *(53) were Final H.M* , **18%** *(34)* were *Final ATHM* and remaining **31%** *(58)* of them were *New Prospects* . Present study aimed to gather data from each four group's participants so that findings could help industry professionals and educationist to devise certain strategies for retention of young educated young force of hospitality sector.

Demographic Profile of the Respondents

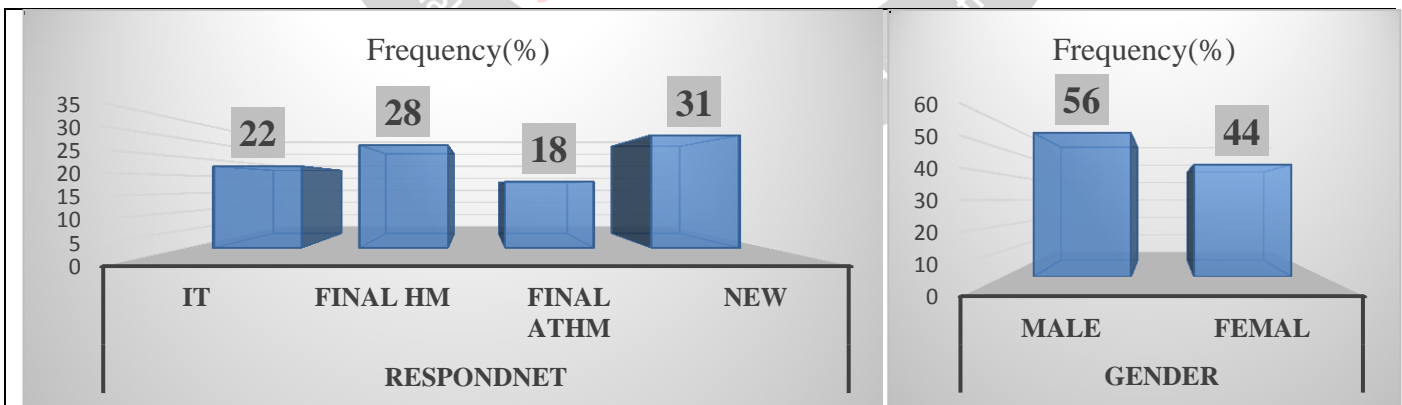| Table 1 Profile of the Respondents'			
	Course Stream	**Frequency**	**Percentage**
Respondents'	I.T HM	42	22.5
	Final HM	53	28
	Final ATHM	34	18
	New (Admitted)	58	31
Total		**187**	**100%**
Gender	Male	105	56
	Female	82	44
Total		**187**	**100%**

A   Figure A & Displaying the demographic profiles of the respondents   B

Descriptive Statistics

Table 2 : Salary expectations of Initial Job offer			
	Salary Expectation	**Frequency**	**Percentage**
SALARY	10000	11	6
	10001-15000	21	11

16000-20000	42	**22**
21000-25000	56	**30**
26000-30000	36	19
31000-35000	21	11
Total	**187**	**100%**

Salary Expectation: Majority of the respondents marked expected salary range of initial job offer between 21000-25000. Person Chi square test reveals that there is a significant difference exist among respondents in terms of initial job offer salary expectations.

Table 3 Results Chi Square on Salary Expectations on Respondents of various stream		
SALARY	Chi-square	40.795
	df	15
	Sig.	**.000**

	Table 4 Gender Wise (Frequency of Salary range expectation among gender of various streams						
Expected Salary Range	**IT Male**	**IT Female**	**HM Male**	**HM Female**	**ATHM Male**	**ATHM Female**	**New Male**	**New Female**
	f	f	f	f	f	f	f	f
10000	3	0	5	0	0	2	1	0
10001-15000	1	1	6	2	2	3	4	2
16000-20000	**8**	**8**	8	4	2	4	6	2
21000-25000	7	5	**11**	**10**	**8**	**5**	**7**	3
26000-30000	2	2	2	2	1	6	**7**	**14**
31000-35000	3	2	3	0	0	1	8	4

Gender wise: Initial job offer salary range expectation of female was found to higher than male students.

Table 5 Shows result of Chi Square test Gender of various course stream		
SALARY	Chi-square	70.346
	df	35
	Sig.	.000

Table 6:Shows respondent responses on statement Low pay			
	Response	**Frequency**	**Percentage**
Considering the long hours and work load I find the pay low in the hotel industry	Strongly Disagree	9	7
	Disagree	30	23
	Neutral	20	15.5
	Agree	41	**31.7**
	Strongly Agree	29	22.5
*Excluded newly admitted students from total 187	**Total**	**129 ***	**100%**

Majority of the respondents agreed that considering the long hours and work load, pay is low in the hotel industry. It was found that there is no significant difference exist among respondents on the statement considering the long hours and work load, the pay is low in the hotel industry. However there is a significant difference exist among male and female students that is majority of female students disagree that there is low pay exist in the hotel industry

Table 7Shows results of Annova (Stream Wise) ,Considering the long hours and work load I find the pay low in the hotel industry		
	N	Mean

IT	42	3.6429
Final HM	53	3.0943
Final ATHM	34	2.8529
Total	129	3.2093

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	12.913	2	6.456	5.200	.007
Within Groups	156.436	126	1.242		
Total	169.349	128			

Table 8 Shows results of Annova (Gender Wise) ,Considering the long hours and work load I find the pay low in the hotel industry

	N	Mean	Std. Deviation	Std. Error
Male	72	3.4028	1.12162	.13218
Female	57	2.9649	1.14899	.15219
Total	129	3.2093	1.15023	.10127

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.100	1	6.100	4.745	.031
Within Groups	163.249	127	1.285		
Total	169.349	128			

Table 9:Shows responses on pay to lead satisfactory life			
I think that the pay for most hotel jobs is not sufficient to lead a satisfactory life.	Response	**Frequency**	**Percentage**
	Strongly Disagree	5	4
	Disagree	42	32.5
	Neutral	20	15.5
	Agree	45	**35**
	Strongly Agree	17	13
	Total	**129**	**100%**

Majority of the respondents agree that pay for most hotel jobs are not sufficient to lead a satisfactory life. It was found that there is a significant difference exist among respondents (stream wise) in terms of pay for most hotel jobs is not sufficient to lead a satisfactory life. Students of ATHM have slightly disagreement to the statement. Similarly gender wise also there is significant differences exist among respondents. Female students have disagreement to the statement and perceived that pay in hotel jobs is sufficient to lead a satisfactory life.

Table 10 Shows results of Annova (Stream Wise) The pay for most hotel jobs is not sufficient to lead a satisfactory life.		
	N	Mean
IT	42	3.6429

Final HM	53	3.0943
Final ATHM	34	2.8529
Total	129	3.2093

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	12.913	2	6.456	5.200	.007
Within Groups	156.436	126	1.242		
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Table 11 Shows results of Annova (Gender Wise) The pay for most hotel jobs is not sufficient to lead a satisfactory life.

	N	Mean
Male	72	3.4028
Female	57	2.9649
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ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.100	1	6.100	4.745	.031
Within Groups	163.249	127	1.285		
Total	169.349	128			

Table 12: Shows respondents Intention to pursue a Career in Hospitality Industry			
	Response	Frequency	Percentage
	Total Respondents Response		
Plan To Pursue Career in Hospitality industry after completion of course	No	42	32.5
	Yes	87	**67.5**
	Total	**129**	**100**
	Intention	**No** (*f*)	**Yes** (*f*)
	Stream Wise		
	IT	19 **(45.2%)**	23(54.8%)
	Final HM	16(30.2%)	37(69.8%)
	Final ATHM	7(20.6%)	27**(79.4%)**
	Gender Wise		
		No (*f*)	**Yes** (*f*)
	Male	27**(37.5%)**	45(62.5%)
	Female	15(26.3%)	42 **(73.7%)**

Even though of low pay, majority of the respondents are agreed and have plans to pursue a career in hospitality industry after completion of their course structure. In terms of stream wise final year ATHM students are having plans to pursue a career in the hospitality industry similarly female students have high percentage than their male counterparts.

Table 13 shows results of Pearson Chi-Square Tests applied on respondents responses of various streams		
PLAN TO PURSUE CAREER		
Respondents	Chi-square	5.429
	df	2
	Sig.	**.066**

Pearson Chi square test was applied and it was found that there is no significant differences exist among respondents in terms of stream and gender wise in their plans to pursue a career in the hospitality industry. Majority of students are willing to pursue career in hospitality industry.

Table 14 shows results of Pearson Chi-Square Tests applied on gender of various streams				
PLAN TO PURSUE CAREER				
Respondents	IT	Gender	Chi-square	.513
			df	1
			Sig.	**.474**
	Final HM	Gender	Chi-square	.075
			df	1
			Sig.	**.784**
	Final ATHM	Gender	Chi-square	1.334
			df	1
			Sig.	**.248**

IV.   FINDINGS & CONCLUSION

Initial Job offer: There is a significant difference exist among hospitality students in terms of initial job offer salary expectations. Majority of the respondents marked expected salary range of initial job offer between 21000-25000followed by 16000-20000. Salary expectations of female students were found to higher than male students..
Perception about Pay: Majority of the respondents agreed that considering the long hours and work load, pay is low in the hotel industry. It was found that there is no significant difference exist among respondents on the statement considering the long hours and work load, the pay is low in the hotel industry. However there is a significant difference exists among male and female students that is majority of female students disagree that there is low pay exist in the hotel industry. **Pay sufficient to lead to a satisfactory life**: Majority of the respondents agree that pay for most hotel jobs are not sufficient to lead a satisfactory life. It was found that there is a significant difference exist among respondents (stream wise) in terms of pay for most hotel jobs is not sufficient to lead a satisfactory life. Students of ATHM have slightly disagreement to the statement. Similarly gender wise also there is significant differences exist among respondents. Female students have disagreement to the statement and perceived that pay in hotel jobs is sufficient to lead a satisfactory life. **Plan to pursue a career inside the Industry: Even** though of low pay, majority of the respondents are agreed and have plans to pursue a career in hospitality industry after completion of their course structure. In terms of stream wise final year ATHM students are having plans to pursue a career in the hospitality industry similarly female students have high percentage than their male counterparts
Students of varied courses have different viewpoint about hospitality jobs. Major Industry players should devise pay policies for undergraduate students on uniform pay structure applicable to students. Major hospitality players must develop certain remuneration polices as per educational qualifications of the prospects employees. At present students who have completed either, diploma, degree (three year) or degree (4 year) are absorbed mostly at the same pay structures.

V.   SUGGESTIONS

- Initial job offers should be at par with other sectors such as retails, as many of passed out prefers to start their career outside the hospitality industry due to better lucrative pay offers.
- Major industry plays need to restructure their starting pay offers in order to attract and retain young educated potential job prospects.
- Apart from pay offers, hoteliers should also look after accommodation provisions for the newly selected hospitality students, in order to minimise living cost incurred in staying outside residential city.
- Human resource professionals should conduct exit interviews of employees who leave hotel industry before completion of their probation period in order to find out the actual reasons for turnover.

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